

THE COMMITTEE ON  
**RULES, FINANCE, AND INTERGOVERNMENTAL RELATIONS**  
OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO  
(MAYOR DICK MURPHY, CHAIRPERSON)

<b>Action Items for meeting of Wednesday, July 21, 2004</b>
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**approval of the Record of Action Items for July 14, 2004.**

*2 Committee voted 3-0 to approve the Record of Action Items. (Motion: Maienschein; Second: Peters; Not Present: Atkins and daffer)*

**EM-1: Discussion re: Proposed Changes to the San Diego Municipal Election Campaign Control Ordinance.**

*2 motions and votes of the Committee on this item are more fully described in the attached chart.*

*2 Rules Committee honored Rules Committee Secretary Carla Bock who will retire after 40 years with the City.*

**EM-2: Discussion re: Future Use of the San Diego Concourse.**

*action taken.*

**EM-3: Biannual report on the Status of the Community Forest Initiative.**

*2 Committee voted 3-0 to accept the report. (Motion: Peters; Second: Maienschein; Not present: Atkins and Madaffer)*

*2 Rules Committee honored the City Manager's Liaison to the Community Forest Advisory Board, Terri Williams, who will retire or 32 years with the City.*

# CAMPAIGN FINANCE LAWS

## Comparison of ECCO, Proposed ECCO, and State Law

#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 <i>(Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)</i>
1	<b>CONTRIBUTION LIMITS</b> <b>(An individual making a contribution to a candidate or controlled committee)</b>	\$250 per election for council district seats; \$300 per election for Citywide races; indexed to CPI (§27.2935)  <b>APPROVED BY RULES 1/21/04</b>	Motion by Peters, Second by Maienschein to re-confirm version approved by Rules on 1/21/04 except that indexing would occur every two years starting in 2007.
2	<b>CONTRIBUTION LIMITS</b> <b>(An individual making a contribution to a general purpose recipient committee or PAC)</b>	\$250 per calendar year for support of City candidates; limits apply only to amounts that are attributed to support/oppose City candidates; indexed to CPI (§27.2936)  <b>APPROVED BY RULES 1/21/04</b>	Motion by Maienschein, Second by Peters to approve the settlement language worked out between the EC and the interested third-parties. This will keep current ECCO requirements except that these contributions are not aggregated with the direct contributions to candidates and the amount is linked to the corresponding 250/300 limits.
3	<b>CONTRIBUTIONS BY NON-INDIVIDUALS</b> <b>(contributions supporting a candidate)</b>	Prohibited; general purpose recipient committees can accept contributions from organizations, but cannot use them for City candidate elections (§27.2950)  <b>APPROVED BY RULES 1/21/04</b>  <b>EC RECOMMENDATION:</b> Amend ECCO to add exception for personal trust accounts	Motion by Peters, Second by Maienschein to approve today's EC recommendation and to make the change effective immediately.
4	<b>CONTRIBUTIONS BY LOBBYISTS</b>	No restrictions  <b>EC RECOMMENDATION:</b> No preference regarding incorporating state law provision into local law (intends full review of lobbying issues later this year)	Motion by Peters, Second by Maienschein to make no changes on this subject.
5	<b>CONTRIBUTIONS BY CANDIDATES</b> <b>(to his/her own committee)</b>	No limits (§ 27.2935(b); 27.2945(a))	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0.

#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 (Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)
6	<b>PRE-PRIMARY CONTRIBUTIONS FOR GENERAL ELECTION</b>	<p>Local candidates may accept contributions for both elections at the same time</p> <p>If candidate withdraws or loses at primary, general election contributions will become subject to surplus funds restrictions at end of reporting period following election. (§ 27.2935(c), 27.2922)</p> <p><b>EC RECOMMENDATION:</b> Maintain current policy but require reporting of contributions with designation of “P” for primary and “G” for general elections</p>	Motion by Maienschein, Second by Peters to support today’s EC recommendation re: P/G designations but to require a candidate who raised General election fund and has no General election to return the funds to contributors on a pro-rata basis.
7	<b>PRE-ELECTION FUNDRAISING TIME LIMITS</b>	<p>12 months before primary election (§27.2940(a))</p> <p><b>APPROVED BY RULES 1/21/04</b></p>	Motion by Peters, Second by Maienschein to take no new action on this subject.
8	<b>POST-ELECTION FUNDRAISING TIME LIMIT</b>	<p>180 days after withdrawal, defeat, or election to office, and only if there are outstanding debts or loans (§27.2940(b))</p> <p><b>APPROVED BY RULES 1/21/04</b></p>	Motion by Peters, Second by Maienschein to take no new action on this subject.
9	<b>CANDIDATE CREDIT CARDS</b>	<p>No additional restrictions to the state law applicable to local candidates</p> <p><b>APPROVED BY RULES 1/21/04</b></p>	Motion by Peters, Second by Maienschein to take no new action on this subject.
10	<b>VENDOR CREDIT TIME LIMIT</b>	<p>180 days (§27.2960)</p> <p><b>APPROVED BY RULES 1/21/04</b></p>	Motion by Peters, Second by Maienschein to take no new action on this subject.
11	<b>MEMBER/INTERNAL COMMUNICATIONS</b>	<p>Not considered contributions or expenditures, but must be reported by political parties pursuant to state law (§27.2903)</p> <p><b>EC RECOMMENDATION:</b> Amend ECCO to include reporting requirements for member communications and add requirement that expenditures for member communications be designated as member communications on campaign disclosure statements</p>	Motion by Peters, Second by Maienschein to approve today’s EC recommendation.

#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 (Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)
12	<b>CANDIDATE PERSONAL LOAN LIMITS</b>	\$100,000 (interest permitted) (§27.2945)  <b>APPROVED BY RULES 1/21/04</b>  <b>EC RECOMMENDATION:</b> Clarify that loan limits include bank loans to mirror proposed state law	Motion by Peters, Second by Maienschein to approve today's EC recommendation but don't allow interest and don't aggregate with credit card debt and to not CPI index the amount.
13	<b>VOLUNTARY EXPENDITURE CEILINGS</b>	None  <b>EC RECOMMENDATION:</b> Maintain current policy - do not incorporate similar provisions into local law	Motion by Peters, Second by Maienschein to take no new action on this subject.
14	<b>SUPPLEMENTAL REPORTING REQUIREMENTS (in addition to those required by State)</b>	List contributors in alphabetical order; GPRC's re-report contributions used for independent expenditures in support of or opposition to City candidates (§27.2930)  <b>APPROVED BY RULES 1/21/04</b>	Motion by Peters, Second by Maienschein to take no new action today except to allow the options to either re-report the contributions or to add an addendum to the report explaining the same information.
15	<b>ON-LINE FILING</b>	[when available] Required for all local candidates and committees whose contributions or expenditures reach \$10,000 threshold (§27.2931)  <b>APPROVED BY RULES 1/21/04</b>	Motion by Peters, Second by Maienschein to take no new action on this subject.
16	<b>OFFICEHOLDER ACCOUNT</b>	Separate account not allowed pursuant to state law. Funds contributed to campaign account may be used for officeholder expenses	Motion by Peters, Second by Maienschein to take no new action on this subject.
17	<b>LEGAL DEFENSE FUND</b>	Permitted. Allows contributions of \$250 per calendar year from individuals. Must use existing campaign controlled committee (§27.2965-27.2969)  <b>APPROVED BY RULES 1/21/04</b>  <b>EC RECOMMENDATION:</b> Allow contributions for audits conducted by EC or FPPC	Motion by Peters, Second by Maienschein to approve today's EC recommendation.

#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 (Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)
18	<b>SURPLUS CAMPAIGN FUNDS</b>	May be used to pay outstanding debts, repay contributors, make donations to charities, contribute to a political party, contribute to a candidate for federal office or any state other than California, contribute to a ballot measure committee, or pay for professional services (including legal fees) (§27.2922)  <b>APPROVED BY RULES 1/21/04</b>	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0
19	<b>CONTRIBUTOR NAME &amp; ADDRESS</b>	Required for all contributions (with the exception of anonymous contributions discussed below) (§27.2925)  <b>EC RECOMMENDATION:</b> Maintain current policy that is more restrictive than state law	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
20	<b>ADDITIONAL CONTRIBUTOR INFORMATION (occupation, employer)</b>	Required for contributions of \$100 or more. Must obtain information within 20 business days or return within 25 days  May not deposit without information (§27.2917)  <b>EC RECOMMENDATION:</b> Maintain current policy that is more restrictive than state law; add language to clarify that funds from contributors are not considered "received" contributions until the occupation/ employer information is received	Motion by Peters, Second by Maienschein to approve today's EC recommendation except to change the time limits to 30 and 35 business days.
21	<b>INTERMEDIARIES</b>	No additional restrictions to the state law applicable to local committees  <b>EC RECOMMENDATION:</b> Mirror state law and give the EC enforcement authority in this area	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
22	<b>NOTICE REGARDING REIMBURSEMENT OF CONTRIBUTORS</b>	Must provide notice to contributors that they may not be reimbursed by any person, company, or organization (§27.2924)  <b>APPROVED BY RULES 1/21/04</b>	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0

#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 (Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)
23	<b>ANONYMOUS CONTRIBUTIONS</b>	<p>\$200 cap total per election (<u>not</u> per contributor) (§27.2948)</p> <p><b>EC RECOMMENDATION:</b> Maintain current policy that is more restrictive than state law</p>	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
24	<b>CASH CONTRIBUTIONS</b>	<p>No additional restrictions to the state law applicable to local committees</p> <p><b>EC RECOMMENDATION:</b> Mirror state law and give the EC enforcement authority in this area</p>	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
25	<b>MAINTAIN RECORD OF RETURNED/REFUSED CONTRIBUTIONS</b>	<p>Required (§27.2925)</p> <p><b>EC RECOMMENDATION:</b> Maintain current policy that is more restrictive than state law</p>	Motion by Peters, Second by Maienschein to delete the current ECCO provision and just follow state law.
26	<b>RETURN OF CONTRIBUTIONS</b>	<p>Requires payment to the City Treasurer and written explanation to the City Clerk if the candidate or committee deposits a contribution that violates ECCO (payment equals the amount of violation) (§27.2952)</p> <p><b>EC RECOMMENDATION:</b> Maintain current policy that is more restrictive than state law</p>	Motion by Peters, Second by Maienschein to approve today's EC recommendation except that the recipient is allowed to return the contribution to the contributor within the filing deadline for that particular report and the forfeiture rule applies after that deadline.
27	<b>USE OF CAMPAIGN FUNDS</b>	<p>Uses of campaign funds are governed by California Government Code section 81000 et seq. (§27.2933)</p>	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0
28	<b>RECALL ELECTIONS</b>	<p>Clarifies that officeholder subject to recall may begin collecting contributions as soon as committee seeking recall is able to begin collecting contributions</p> <p>Recall elections are considered candidate elections, and contribution limits apply but are not aggregated with contributions for the candidate's other elections (§27.2938)</p> <p><b>APPROVED BY RULES 1/21/04</b></p>	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0

#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 (Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)
29	<b>FAMILY CONTRIBUTIONS</b>	Clarifies that contributions from a husband and wife are not aggregated; contributions by minors not addressed. (§27.2946)  <b>APPROVED BY RULES 1/21/04</b>	Motion by Peters, Second by Maienschein to re-confirm the Rules Committee's 1/21/04 action except that ECCO should incorporate the "minor's contribution" language found in the Cal.Govt. Code.
30	<b>MASS MAILINGS</b>	Must include the name and address of the committee responsible for sending the mailing (§27.2923)  <b>EC RECOMMENDATION:</b> Mirror full provisions of state law; add requirement that committees state "paid for by" on all mass mailings (in 12-point type in contrasting color); consider extending regulations to billboard and telephone communications	Motion by Peters, Second by Mayor Murphy to approve today's EC recommendation but to make it effective immediately and to add the requirement for recorded telephone messages (as described more fully in the parallel San Francisco ordinance) and to add the requirement for billboards with a type size to be determined by the EC.  Motion by Peters, Second by Maienschein to docket items #30 and #3 separately at Council to allow them to go into effect immediately.
31	<b>INDEPENDENT EXPENDITURES (supporting a candidate)</b>	Advertisements must say "not authorized" or "paid for by City candidate" (§27.2953)  No additional restrictions to the state law applicable to local committees  <b>EC RECOMMENDATION:</b> Amend ECCO to require that committees identify themselves by stating "paid for by" (in 12-point type in contrasting color); remove current language requiring ads to say "not authorized by candidate"; mirror state law's prohibition on candidate-controlled committees making independent expenditures; recommend adding provision stating that e-mail, slate mailers, and member communications are exempt	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
32	<b>EXPENDITURES IN SUPPORT OF BALLOT MEASURES</b>	No additional restrictions to the state law applicable to local committees  <b>EC RECOMMENDATION:</b> Amend ECCO to require that committees identify themselves by stating "paid for by" (in 12-point type in contrasting color), identify top two contributors of \$10,000 or more, and identify the contributors' interests; recommend adding provision stating that e-mail, slate mailers, and member communications are exempt	Motion by Peters, Second by Maienschein to follow state law but to require "paid for by" and 12 pt type.

#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 (Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)
33	<b>PAID SPOKESPERSONS</b>	No additional restrictions to the state law applicable to local committees  <b>EC RECOMMENDATION:</b> Amend ECCO to identically mirror state law and give the EC additional enforcement authority	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
34	<b>COORDINATION BETWEEN INDEPENDENT EXPENDITURE COMMITTEES</b>	Permitted (§ 27.2903)	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0
35	<b>"AT THE BEHEST"</b>	Briefly defined (§27.2903)  <b>EC RECOMMENDATION:</b> Amend ECCO to incorporate state law	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
36	<b>SPONSORED COMMITTEES</b>	No additional restrictions to the state law applicable to local committees  <b>EC RECOMMENDATION:</b> Amend ECCO to identically mirror state law and give the EC additional enforcement authority	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
37	<b>BALLOT MEASURE COMMITTEE'S NAME</b>	No additional restrictions to the state law applicable to local committees  <b>EC RECOMMENDATION:</b> Amend ECCO to identically mirror state law and give the EC additional enforcement authority	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
38	<b>FOREIGN ENTITIES</b>	No additional restrictions to the state law applicable to local committees  <b>EC RECOMMENDATION:</b> Maintain current policy (defer enforcement to state and federal enforcement agencies)	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
39	<b>SUB-VENDORS</b>	Payment to sub-vendors must be reported in the time and manner required by state law (§27.2930)	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0



#	CATEGORY	Prior Action	Rules Committee Action 7-21-04 (Note: All votes were 3-0 with Councilmembers Madaffer and Atkins excused)
40	<b>TRANSFERS</b>	No restrictions or guidelines  <b>EC RECOMMENDATION:</b> Amend ECCO to mirror state law for local committees and give the EC additional enforcement authority	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
41	<b>CARRYOVER OF CONTRIBUTIONS</b>	No restrictions or guidelines  <b>EC RECOMMENDATION:</b> Maintain current policy (absence of restrictions permits carryover of contributions)	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
42	<b>HOME/OFFICE FUNDRAISING EXEMPTION</b>	Definition of contribution incorporates state law exclusions (§27.2903)	Motion by Peters, Second by Maienschein to take no new action on this subject. 3-0
43	<b>ASSISTANT TREASURER / EXPENDITURE AUTHORIZATION</b>	Disbursements from committee account must be done by check signed by candidate, treasurer, or designated agent (assistant treasurer) (§27.2919)  <b>EC RECOMMENDATION:</b> Amend ECCO to mirror state law by acknowledging concept of assistant treasurer	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
44	<b>CHECKING ACCOUNT</b>	City candidates must have an account at a bank that provides checking account services in the City of San Diego. (§27.2917)  <b>EC RECOMMENDATION:</b> Amend ECCO to add this requirement for local ballot measure committees	Motion by Peters, Second by Maienschein to approve today's EC recommendation.
45	<b>LEASE PAYMENTS</b>	Rentals of real or personal property must be paid in advance (§27.2960)	Motion by Peters, Second by Maienschein to delete this provision from ECCO.
*	Motion by Maienschein, Second by Peters, to refer to the Ethic Commission, and to ask the Ethics Commission to return to the full Council any recommendations, regarding lifting the contribution limits when a candidate is facing a self-funded opponent who spends in excess of a designated limit; and to consider the viability of adopting a system similar to the system used in San Diego County elections.		